

# Nebraska Reconciliation of Income Tax Withheld

• This form should be filed after completion of Form 941N.  
• See [revenue.nebraska.gov](http://revenue.nebraska.gov) for information on e-filing this return.

PLEASE DO NOT WRITE IN THIS SPACE

Nebraska ID Number                      Taxable Year                      Due Date

**Name and Location Address**

**Name and Mailing Address**

If you are not licensed to report income tax withholding or are changing name and/or address, see instructions.

**Wage/Payment Information**

<b>1</b> Federal Forms W-2 with Nebraska source income. Other Federal Forms W-2G, 1099-R, 1099-MISC, and 1099-NEC with Nebraska withholding. Taxpayers filing more than 50 required forms must e-file the forms. Informational forms may be included.....	<b>Enter the number of forms</b>	<b>1</b>		
<input type="checkbox"/> <b>Check this box if you are e-filing these forms using NebFile for Business.</b>				
<input type="checkbox"/> <b>Check this box if you are participating in the combined Federal/State 1099 filing program.</b>				
<b>2</b> Nebraska wages, tips, and other compensation shown on Forms W-2.....	<b>2</b>	\$		
<b>3</b> Nebraska gambling winnings shown on Forms W-2G.....	<b>3</b>			
<b>4</b> Nebraska pensions, annuities, etc., shown on Forms 1099-R.....	<b>4</b>			
<b>5</b> Nebraska nonresident personal service payments, any payments to construction contractors (see instructions), or prizes shown on Forms 1099-NEC or 1099-MISC.....	<b>5</b>			
<b>6</b> Total payments subject to Nebraska income tax withholding (TOTAL of lines 2 through 5) ..	<b>6</b>			

**Income Tax Withholding Information**

<b>7</b> Total Nebraska income tax withheld as shown on submitted forms.....	<b>7</b>			
• If you file annually, skip to line 12.				
<b>8</b> Nebraska incentive compensation credits applied to income tax withholding .....	<b>8</b>			
<b>9</b> Income tax withholding paid for the period ended March 31 .....	<b>9</b>			
<b>10</b> Income tax withholding paid for the period ended June 30.....	<b>10</b>			
<b>11</b> Income tax withholding paid for the period ended Sept. 30.....	<b>11</b>			
<b>12</b> Income tax withholding paid for the period ended Dec. 31 (or if you file annually, enter the income tax withholding paid for the entire year) .....	<b>12</b>			
<b>13</b> Total Nebraska income tax withholding paid or credit applied (total of lines 8 through 12) .....	<b>13</b>			
<b>14</b> If line 13 is less than line 7, enter balance due .....	<b>14</b>			
<b>15</b> Penalty (see instructions).....	<b>15</b>			
<b>16</b> Interest (            % per year of line 14 if paid after January 31, see instructions).....	<b>16</b>			
<b>17</b> Total Balance Due (total of lines 14 through 16). If the amount due is \$2 or more, pay in full with this form.....	<b>17</b>			
<b>18</b> If line 7 is less than line 13, enter the amount of overpayment. The overpayment amount will be transferred to the next year. Do not take any credit on Form 941N unless it is shown on the previous balance line of Form 941N (must complete the Reason for Overpayment section below) .....	<b>18</b>	\$		

**Reason for Overpayment** (must complete if line 18 overpayment is claimed)

Under penalties of perjury, I declare that as taxpayer or preparer I have examined this reconciliation, and to the best of my knowledge and belief, it is true, correct, and complete.

**sign  
here**

Authorized Signature

Date

Signature of Preparer Other than Taxpayer

Date

Title

Daytime Phone

Address

Daytime Phone Number

Email Address

The Nebraska copies of Forms W-2, W-2G, 1099-R, 1099-MISC, and 1099-NEC must be e-filed or attached to this reconciliation. E-file or mail this Form W-3N and remit payment. If you are filing more than 50 Forms W-2 or 1099 with Nebraska income tax withholding, you must e-file them.

**Nebraska Department of Revenue, PO Box 98915, Lincoln, NE 68509-8915**

**Please retain a copy for your records.**

## Instructions

**Who Must File.** Every employer or payor withholding Nebraska income taxes from employees or payees must file a Nebraska Reconciliation of Income Tax Withheld, Form W-3N. You must apply for an income tax withholding number on a [Nebraska Tax Application, Form 20](#). You will be issued an income tax withholding certificate by the Nebraska Department of Revenue (DOR).

If you are licensed for income tax withholding, you must file a Form W-3N, even if no payments were made that were subject to income tax withholding, or if the license was cancelled during the year.

**When and Where to File.** E-file or attach the Nebraska copies of the following federal forms for each employee or payee:

1. Wage and Tax Statement, Federal Form W-2 with Nebraska source income;
2. Statement for Recipients of Certain Gambling Winnings, Federal Form W-2G with Nebraska withholding;
3. Distribution from Pensions, Annuities, Retirement, or Profit-Sharing Plans, IRAs, Insurance Contracts, etc., Federal Form 1099-R with Nebraska withholding; and
4. Statement for Recipients of Miscellaneous Income, Federal Form 1099-MISC and Nonemployee Compensation, Federal Form 1099-NEC with Nebraska withholding.
5. Forms with Nebraska source income even when no Nebraska income tax is withheld may be included.
6. Informational 1099s, such as the Payment Card and Third Party Network Transactions, Federal Form 1099-K. Informational 1099s that do not have Nebraska income tax withheld may be but are not required to be submitted to the DOR.

Employers filing more than 50 state copies of Forms W-2 and 1099 with Nebraska withholding must e-file these forms and the Form W-3N. Please refer to [revenue.nebraska.gov](http://revenue.nebraska.gov) for more information on e-filing. Form W-3N can be filed using the DOR's NebFile for Business filing program.

Form W-3N is due on or before January 31, following the close of the tax year, along with payment of any amount shown on line 17. If required, payment must be made by electronic funds transfer (EFT). Do not send any other remittance with the Form W-3N. Checks written to the DOR may be presented for payment electronically.

**Extension of Time.** An extension of time to file Form W-3N may be requested in writing and must be received by DOR by January 31. The request should include the employer's or payor's Nebraska ID number and the period of time for which an extension is requested. An extension may be granted for a period not to exceed 45 days from the original due date. Mail this request to: Nebraska Department of Revenue, PO Box 98915, Lincoln, NE 68509-8915.

Any extension granted does not extend the time allowed to submit copies of federal income tax withholding forms to employees or payees. The employee's copy must be received by January 31 following the close of the calendar year. If employment is terminated before the close of the year, then the employer must provide the employee's copy of the applicable form within 30 days after the last payment.

**Electronic Filing.** DOR will not mail Forms 941N or W-3N to anyone who has e-filed Forms 941N or W-3N in the past. The DOR encourages all employers to file and pay electronically the Form W-3N and submit all Forms W-2 or 1099 electronically. If you have questions about electronic filing or payment options, visit [revenue.nebraska.gov](http://revenue.nebraska.gov).

**Preidentified Return.** A preidentified return is a return that is mailed to you by the DOR. This return should be used only by the taxpayer whose name is printed on it. Do not file returns that are photocopies, are for another tax year, or have not been preidentified. If you have not received a return for the tax year, and will be filing a paper return, visit the DOR's website to print a Form W-3N. Complete the ID number, tax year, name, and address information.

**Penalty and Interest.** Penalty and interest are imposed for failing to timely remit income tax withheld. A 5% penalty plus interest are due with this form if a balance due is shown on line 14 and is being paid after the January 31 due date. Refer to [Revenue Ruling 99-22-1](#) and [Regulation 21-016](#) for additional information. If line 14 is zero or a credit, do not compute lines 15 and 16. Interest is at the rate shown on line 16.

A penalty of \$2 per statement, not to exceed \$2,000, may be imposed by the DOR for failing to properly file the state copy of all federal withholding forms on or before the due date of Form W-3N, or for failing to e-file when filing more than 50 forms.

### Specific Instructions

**Lines 2 Through 5.** Enter the total Nebraska income subject to income tax withholding as shown on all federal income tax withholding forms. When making entries on lines 2 through 5, only include amounts once. These lines must be completed regardless of the method used to file these forms (for example, actual forms, e-filing, or combined federal/state filing).

**Line 4.** Enter any Nebraska income tax withholding shown on Federal Forms 1099-R.

**Line 5.** Enter the amount of nonemployee compensation that was subject to income tax withholding as nonresident personal service payments shown on Federal Form 1099-NEC. The amount entered should be the gross amount paid before deducting expenses. Also include on this line any mandatory 5% income tax withholding by construction contractors for payments made to subcontractors and amounts reported on Forms 1099-MISC. Please refer to "[Important Information for Contractors Performing Construction Services in Nebraska](#)," for more information.

**Line 8.** Enter the total amount of tax incentive compensation credits used against income tax withholding during this reporting year. If the DOR has preidentified an amount on this line, you must correct it to reflect any amount of incentive compensation credit taken on your fourth quarter Form 941N. If the annual reconciliation of your income tax withholding shows additional tax due, and you wish to offset it with available tax incentive compensation credits, also add this amount to line 8. Attach the [Incentive Withholding Worksheet](#) which is available at [revenue.nebraska.gov](http://revenue.nebraska.gov). Applicants with signed ImagiNE Nebraska Act agreements must remit the 0.5% administration fee with a completed ImagiNE Nebraska Act Payment of Fees for Incentive Credit Use, Form 1107F.

**Lines 9 Through 11.** These amounts are the amounts of tax paid on the quarterly returns received and processed by the DOR. Do not change any of these amounts without first contacting the DOR. These amounts represent tax only and do not include any penalty or interest paid. No payments of penalty and interest may be applied to the tax due.

**Line 12.** Enter only the amount of tax paid on the Form 941N for the tax period ending December 31. Annual filers should enter the tax paid for the entire year. Do not include any penalty and interest paid with your Form 941N.

**Line 17.** Any balance due of \$2 or more must be paid.

**Line 18.** Any amount entered as an overpayment must be explained in the space provided. As part of the explanation, include for each quarter the total Nebraska income tax withheld and the total income tax withholding paid to the DOR.

An overpayment of \$2 or more will be transferred to the next tax year. The DOR will verify the overpayment and the credit will show on your Form 941N. Do not use the resulting credit until it appears on the previous balance line of Form 941N.

An overpayment of \$2 or more will be refunded if this is your final return or if you indicate in your explanation that the overpayment exceeds the amount of tax you expect to owe next year.

**Signatures.** Form W-3N must be signed by the taxpayer, partner, member, or corporate officer. If the taxpayer authorizes another person to sign the form, there must be a power of attorney on file with the DOR.

**Email.** By entering an email address, the taxpayer acknowledges that DOR may contact the taxpayer by email. The taxpayer accepts any risk to confidentiality associated with this method of communication. DOR will send all confidential information by secure email or the State of Nebraska's file share system. If you do not wish to be contacted by email, write "Opt Out" on the line labeled "email address."

Any person paid for preparing a taxpayer's Form W-3N must also sign the form as preparer.

**Visit [revenue.nebraska.gov](http://revenue.nebraska.gov), or call 800-742-7474 (NE and IA) or 402-471-5729.**